

Message Text

UNCLASSIFIED

PAGE 01 SEOUL 07976 300355Z

20

ACTION EA-10

INFO OCT-01 ISO-00 EB-07 RSC-01 /019 W

----- 036750

R 290759Z NOV 74

FM AMEMBASSY SEOUL

TO USDOC WASHDC

INFO SECSTATE WASHDC 7214

AMEMBASSY SINGAPORE

AMCONSUL HONG KONG

UNCLAS SEOUL 7976

USDOC

STATE PASS EXIM

E.O. 11652: N/A

O

TAGS: ECEM, ETRD, KS

SUBJECT: MAJOR PROJECT: YEO-SU PETROCHEMICAL COMPLEX

1. PROJECT DESCRIPTION: ROKG IS PRESENTLY DOING SITE PREPARATION FOR SUBJECT PROJECT WHICH INCLUDES A NAPHTHA CRACKING FACILITY (CAPACITY THREE HUNDRED FIFTY THOUSAND MTPA OF ETHYLENE), BTX UNITS AND TWELVE DOWNSTREAM PLANT, TO BE LOCATED ON GWANG YANG BAY IN SOUTHERNMOST PART OF ROK.

2. IMPLEMENTING OFFICE:

KIM, PIL SANG, PRESIDENT

YEO-SU PETROCHEMICAL CORPORATION

88, KYUNG-UN DONG, CHONGRO-KU

SEOUL, KOREA

(YEO-SU PETROCHEMICAL CORP. WAS ESTABLISHED BY ROKG TO PROMOTE SUBJECT PROJECT.)

3. COST AND FINANCING: TOTAL PROJECT COSTS ARE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SEOUL 07976 300355Z

ESTIMATED AT ONE BILLION FOUR HUNDRED MILLION DOLLARS.

LOAN FUNDS WILL BE SOUGHT FOR ONE BILLION DOLLARS AND EQUITY INVESTMENT FROM SEVERAL FOREIGN AND DOMESTIC SOURCES WILL PROVIDE BALANCE OF FUNDS. LOAN FUNDS AND EQUITY INVESTMENT ARE NOT YET ARRANGED.

4. EXPECTED BID DATES: N/A. SITE PREPARATION WAS INITIATED OCTOBER 1974.. PLANT CONSTRUCTION IS SCHEDULED TO BEGIN JUNE 1975 WITH COMPLETION BY SEPTEMBER 1977.

5. POTENTIAL U.S. SALES: PLANTS WILL REQUIRE FULL RANGE OF CHEMICAL PROCESSING FACILITIES TO INCLUDE: PIPING (SEAMLESS AND STEEL ALLOY PIPELN HEAT EXCHANGERS, COOLERS, FIRED HEATERS, BOILERS, PRESSURE VESSELS, TANKS, TOWERS, DRUMS, HIGH PRESSURE PUMPS, COMPRESSORS (RANGING FROM 100 HP TO 15,000 HP), BLOWERS (50 HP TP 1,000 HP), STEAM TURBINES (100 HP TO 15,000 HP), TRANSFORMERS (OVER 1,000 KVA), HIGH VOLTAGE SWITCH GEAR, CIRCUIT BREAKERS AND UNDERGROUND CABLE, QUALITY CONTROL AND TESTING INSTRUMENTS, FIRE TRUCKS AND FIRE FIGHTING EQUIPMENT, AND CONSTRUCTION EQUIPMENT (CONVEYOR, GRADER, BULLDOZER) FRONT END LOADER, FORK LIFT, AND TRUCK CRANE).

6. POST COMMENTS: THIS PROJECT IS AN IMPORTANT PART OF ROK HEAVY AND CHEMICAL INDUSTRY DEVELOPMENT PLAN, THUS FOREIGN INVESTORS WILL RECEIVE SPECIAL PRIVILEGES SUCH AS CORPORTATE AND PROPERTY TAX HOLIDAYS FOR FIVE YEARS AFTER STARTUP WITH A SPECIAL REDUCTION FOR THE NEXT THREE YEARS. FOREIGN FIRMS WHO HAVE ANNOUNCED INVESTMENT PLANS INCLUDE DOW CHEMICAL CO. (US) AND MITSUI & CO. (JAPAN). BOTH DOW & MITSUI HAVE EXPRESSED INTEREST IN DOWNSTREAM PLANTS. THE NAPTHA CRACKER HAS NOT YET ATTRACTED A FOREIGN INVESTOR, THUS CAUSING SOME DELAY IN PROJECT START UP.
SNEIDER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 29 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SEOUL07976
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740347-1082
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974113/aaaaabrg.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 13 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 NOV 2002 by MorefiRH>; APPROVED <27 NOV 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: YEO-SU PETROCHEMICAL COMPLEX
TAGS: ECEM, ETRD, KS, YEO-SU PETROCHEMICAL COMPLEX
To: COM
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005